

DIRECT TESTIMONY

OF

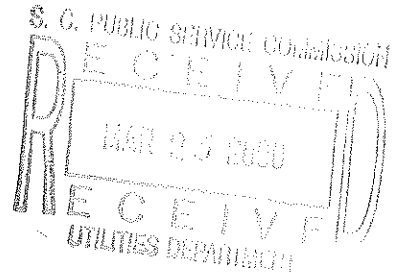
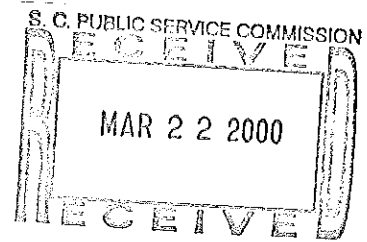
KENNETH W. NETTLES

ON BEHALF OF

SOUTH CAROLINA ELECTRIC & GAS COMPANY

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**Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND POSITION
WITHIN SOUTH CAROLINA ELECTRIC AND GAS COMPANY (SCE&G).**

A. My name is Kenneth W. Nettles, Sr. My business address is P. O. Box 88,
Jenkinsville, South Carolina. I am employed by SCE&G as a General Manager
and am currently the General Manager, Nuclear Support Services at the Virgil C.
Summer Nuclear Station (VCSNS).

**Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND
PROFESSIONAL EXPERIENCE.**

A. I have a B. S. E. E. from Clemson University. I am a registered professional
engineer in the state of South Carolina (#5222). I hold a Senior Reactor
Operator Certification for VCSNS. I have been employed by SCE&G since
January 1968. I have held various engineering and management positions at

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VCSNS since May 1973. Prior to license issuance by the Nuclear Regulatory Commission (NRC) in 1982 I was involved in the design, construction and initial startup of the plant. Since license issuance by the NRC I have been involved in operations in the areas of engineering, quality assurance, training, licensing, emergency planning, security, strategic planning and overall management of the facility as part of the site senior management team. In my current position I am primarily responsible for training, security, licensing, emergency planning, and the quality control and quality assurance functions for VCSNS. In this capacity I report directly to the Vice President of the Nuclear Strategic Business Unit for SCE&G. I also serve as the Chairman of the Nuclear Safety Review Committee for VCSNS as required by the license technical specifications.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to review the operating performance of the VCSNS during the period from March 1, 1999 through February 29, 2000.

Q. WHAT ARE YOUR MAJOR OBJECTIVES IN THE OPERATION OF VCSNS?

A. At VCSNS we strive for excellence in all phases of operation of the facility. Our primary objectives are to operate the plant safely and reliably while producing electricity at a competitive cost. Nuclear safety is always a major focus. We continuously meet or exceed all Nuclear Regulatory Commission (NRC) requirements and Institute of Nuclear Power Operations (INPO) standards. Our business objectives are focused on maintaining a competitive production cost for

1 the generation of electricity using nuclear fuel. In 1999 VCSNS was recognized
2 by Research Data Institute as the fifth lowest cost nuclear producer of electricity
3 in the United States. In addition Nucleonics Week an industry publication
4 identified VCSNS as having the #1 capacity factor in the United States. Since
5 fuel cost is a major part of the production cost for the plant, we continuously look
6 for fuel cost control through our supply contracts and through high plant
7 availability and high capacity factors.

8 **Q. WHAT HAS BEEN THE COMPANY'S EXPERIENCE WITH THE**
9 **PERFORMANCE OF THE VIRGIL C. SUMMER NUCLEAR**
10 **STATION?**

11 **A.** VCSNS has performed extremely well during the period from March 1, 1999
12 through February 29, 2000. The net capacity factor for the plant during this
13 period excluding planned refueling outage activities, planned power reductions
14 and other reasonable reduced power operations activities was 99.53%.

15 **Q. WHEN WILL THE NEXT REFUELING OUTAGE OCCUR?**

16 **A.** The next refueling outage is planned for the period from 10/6/00 through
17 11/10/00.

18 **Q. WHAT IS YOUR CURRENT RANKING BY THE NUCLEAR REGULATORY**
19 **COMMISSION AND THE INSTITUTE OF NUCLEAR POWER OPERATIONS?**

1 **A.** The Institute of Nuclear Power Operations (INPO) is a nonprofit corporation
2 established by the nuclear industry to promote the highest levels of nuclear
3 safety and plant reliability. INPO promotes excellence in the industry in the
4 operation of nuclear electric generating plants. VCSNS was ranked INPO 1 for
5 the seventh time during this period. This number 1 rating represents the highest
6 level of excellence for VCSNS. The NRC last rated VCSNS under the
7 Systematic Assessment of Licensee Performance (SALP) system as an overall
8 excellent rating of 1.0. In April 2000 the NRC will move to the new Revised
9 Reactor Oversight Process eliminating the SALP system. Subsequent NRC
10 plant performance assessment will be conducted using performance indicators
11 and inspection results.

12 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

13 **A.** Yes.